

## **Budget Workshop Meeting Minutes**

### **Board of County Commissioners Hyde County**

**Monday, May 14, 2018**

Following the Board of Equalization and Review meeting, beginning at 5:00p.m., and after prayer Chairman Earl Pugh, Jr. called the Budget Workshop Meeting of the Hyde County Board of Commissioners to order at 5:30p.m., on Monday, May 14, 2018, in the Hyde County Government Center, Multi-Use Room, and the Ocracoke Community Center using electronic conferencing equipment.

The following members were present on the mainland: Chairman Earl Pugh, Jr.; Vice-chair Barry Swindell; Commissioners Ben Simmons and Dick Tunnell; County Manager Bill Rich, Assistant County Manager Kris Noble, Clerk to the Board Lois Stotesberry and Deputy Clerk Justin Gibbs.

Commissioner Tom Pahl, IT Director Donnie Shumate and members of the public were present on Ocracoke.

Commissioner Barry Swindell left the meeting at 7:30p.m.

#### **Consideration of Agenda:**

Commissioner Swindell moved to approve the May 14, 2018 Board of Commissioners Budget Workshop Meeting Agenda as presented by the Clerk. Mr. Tunnell seconded the motion. The motion passed on the following vote: Ayes – Pugh, Pahl, Swindell, Tunnell and Simmons; Nays – None; Absent or not voting – None.

#### **Proposed FY2018-2019 Hyde County Budget:**

**Bill Rich, County Manager**, delivered his FY2018-2019 Hyde County Budget Message at the Monday, May 7, 2018 Regular Board of Commissioners meeting. The proposed FY18-19 Budget material was delivered later in the week.

Mr. Rich reported expenses have been on budget however revenues did not meet budget expectations. As done in the past five years, fund balance was budgeted to balance the budget. Years 2013, 2014 and 2015 the fund balance grew from \$2,784,184 to \$4,622,833 (24% to 39.42%). In 2016, a negative cash flow of \$221,000 was predicted and a decrease in the fund balance to \$3,697,663 (30.09%). In 2017, a predicted negative cash flow of \$484,859 was seen however even with this the fund balance grew by almost \$600,000 to a total of \$4,278,297 (32.7%).

Mr. Rich reported also in 2017, \$1.2M in fund balance was budgeted to balance the budget. Although the final negative cash flow will not be \$1.2M, it will not be known until July nor will we know the final fund balance until October. He discussed four (4) weak or non-generating revenue sources creating a loss of over \$1,000,000 in revenues: 1) Tax Collections; 2) Medicaid Hold Harmless; 3) Last year \$100K requested from Ocracoke Occupancy Tax Board to supplement EMS operations on the Island was budgeted but denied by the Ocracoke O-Tax Board; and, 4) Expected revenue earnings from the non-ambulatory service were slow to start resulting in very low revenues.

Mr. Rich reported the 2018-19 tax rate needs to be raised \$.05. The collection rate will grow to 98% as real estate assessed values grow with the new Farragut system. The FY2018-19 expense budget has been trimmed and revenues expected to be raised due to tax increase and a small increase in assessed values. Line items discussed include:

#### **GENERAL FUND EXPENDITURES:**

##### **Governing Board**

**10.4100.0300 – Fees to Local Officials – \$22,633.19 (unchanged)**

**Chairman Pugh** reported FY17-18 approved fees were \$22,633.19. FY18-19 recommended fees are \$23,312.00. He suggested a 10% decrease in commissioner's salaries. After discussion, it is the consensus of the Board to not decrease the fees and to decline the 3% COLA increase.

**Total Governing Board – \$28,164.63 (unchanged)**

##### **Information Technology (IT)**

**10.4250.7400 – Equipment – \$5,000.00 increased to \$10,000.00**

**Donnie Shumate, IT Director**, presented first year accomplishments to include cancelling maintenance contracts in the Health, Administration, Social Services and Utilities Departments, saving the County \$35,000.00. He received free cloud hosted antivirus system license through Homeland Security Cyber Response Training, saving the county \$4,000.00 per year. He saved \$20,000.00 on hardware. He assisted with transferring E-911, moved DSS to the state's P12 program, and continues to move forward with Farragut Software (go live January 1<sup>st</sup>). Projects he is working on for the upcoming year include: moving to Google Cloud allowing department servers to be consolidated into one virtual server, implementing a Disaster Recovery Plan to prevent records loss, acquiring a new video conferencing system and is lowering monthly charges and receiving unlimited data by moving

County cell phone accounts to T-Mobile. He is redesigning the County's website with the assistance of Northeast Workforce Development Board (NWDB) Intern Jessi Gibbs.

**Total IT Expense - \$76,359.46 increased to \$94,144.16**

#### Drainage

**10.4260.7400 – Equipment – \$13,460.59 decreased to \$13,019.28**

**Daniel Brinn, Hyde County Water and Flood Control Manager**, reported the equipment line includes surveying equipment and truck lease. He also reported the stream debris removal project has completed 20.75 miles of canals. He drafted the Mattamuskeet Restoration Plan, served as a technical resource for presentations by the State Septic Board and with minor and major CAMA permits. He attended beach/inlet and waterway association meetings.

**Total Drainage Expense – \$75,062.60 basically unchanged from \$75,000.00**

#### Elections

**10.4300.1400 – Travel – \$7,000.00 decreased to \$6,000.00**

**Viola Williams, Director of Elections** reported herself and one part-time assistant and the six-member Elections Board need all State training and requested a travel line increase to \$12,800.00. She reported the Elections Board is paid from line 10.4300.0300 – fees to local officials - \$50.00 per meeting attended.

**.2020 – Salary Part-time – \$26,755.00 increased to \$27,558.00**

**Viola Williams, Director**, requested increase in salary in accordance with her completion of State Certification. The increase reflects a 3% salary increase.

**Corrinne Gibbs, Finance Officer**, reported no increase in pay was approved for this certification.

**.3300 – Department Expense – \$10,000.00 (unchanged)**

**Viola Williams, Director** requested an increase of \$6,273.00 for departmental expenses.

**.7400 – Equipment – \$600.00 increased to \$1,000.00**

**Viola Williams, Director** reported she needs to purchase two computers and one printer and needs to upgrade software to Windows Professional as required by the State.

**Commissioner Swindell** recommended a \$500.00 increase for equipment now and to purchase another computer next year.

**Total Elections Expense – \$78,758.78 increased to \$80,064.61**

#### Finance

**10.4400.0200 – Salaries – \$103,844.44 with 3% COLA increased to \$106,959.00**

**.1500 – Computer Support - \$15,000.00 decreased to \$13,000.00**

**.7400 – Equipment – \$5,000.00 decreased to \$2,000.00**

**.9800 – Education Training – \$10,295.00 decreased to \$5,000.00**

**Corrinne Gibbs, Finance Director**, reported the salaries line reflects a 3% COLA increase.

**Total Finance Expense – \$178,348.77 decreased to \$172,604.69**

#### Human Resources

**10.4500.0200 – Salaries – \$43,613.65 increased to \$44,922.06**

**Tammy Blake, Human Resources Director**, reported since accepting the HR position approximately six years ago her salary has remained at near minimum pay scale. She has a BS Degree, and has more than 20 years HR experience plus six years in Hyde County HR. Her accomplishments include a monthly newsletter, including employee sick/vacation/holiday/comp hours on pay stubs, FLSA training and UNC-School of Government human resources training. Ms. Blake requested a 5% pay increase plus the 3% COLA increase.

**Chairman Pugh** reported the only approved increase is the 3% COLA increase across the board.

**.1100 – Phone – \$2,000.00 increased to \$2,223.34**

**.2600 – Advertising – \$100.00 increased to \$200.00**

**.7400 – Equipment – \$2,000.00 decreased to \$500.00**

**Total Human Resources Expense – \$72,989.11 decreased to \$71,538.30**

#### Tax Supervisor

**10.4600.0200 – Salaries – \$111,408.00 increased to \$114,750.00**

**Linda Basnight, Tax Administrator**, requested re-instatement of former salary increases for herself and the deputy tax administrator for additional duties/responsibilities that will come with implementing Farragut Software and addition of new watershed and drainage tax duties.

**.4510 – Revaluation – \$5,000.00 increased to \$10,000.00**

**Linda Basnight, Tax Administrator**, reported the last tax revaluation cost the County \$287,000.00. She requested \$25,000.00 (reserve funds) for the next property revaluation since the State is considering a 4-year revaluation period, not the customary 8-years.

**Commissioner Tunnell**, asked if the ad-valorem tax rate is still below 98%.

**Linda Basnight, Tax Administrator**, explained a push to collect delinquent taxes often reduces the amount of current taxes being paid.

**Total Tax Supervisor Expense - \$202,905.42 decreased to \$201,421.38**

### Legal

10.4700.4500 – General Legal Services – \$25,000.00 increased to \$35,000.00

.4501 – Delinquent Tax Collection – \$10,000.00 decreased to \$5,000.00

Kris Noble, Assistant County Manager, reported the County Attorney is paid by the hour on a monthly basis. She also reported Ocracoke required a lot of the attorney's time this past year.

Commissioner Simmons, recommended adding legal fees to new businesses at closing.

County Manager Rich, reported the County uses free services from the UNC-SOG.

Commissioner Pahl, reported Ocracoke Township Tourism Development Authority has its own line for legal costs. He also noted the Vessel Ordinance will save Hyde County money eventually.

Total Legal Expenses – \$35,000.00 increased to \$40,000.00

### Register of Deeds

10.4800.0200 – Salaries – \$80,493.00 increased to \$82,906.15

Merita Spencer, Register of Deeds, reported the salaries line reflects a 3% COLA increase.

.1400 – Travel – \$2,000.00 decreased to \$1,000.00

Merita Spencer, Register of Deeds, reported she does not always turn in travel.

.7400 – Equipment – \$4,000.00 decreased to \$2,000.00

Total Register of Deeds Expenses – \$186,398.69 decreased to \$184,937.66

### Davis School Building

10.4903.1500 – Davis School Building – \$13,200.00 (unchanged)

### Commerce Fellows Ordinance (over)

### Various Grants

10.4950.4504 – Various Grant Matches – \$80,000.00

### Public Building Maintenance

10.5000.0200 – Salaries – \$99,056.00 increased to \$102,027.00

Clint Berry, Utilities Director, reported the salaries line reflects 34% of his salary and a 3% COLA increase for two maintenance employees.

.0600 – Group Insurance Expense – \$20,997.00 decreased to \$13,338.00

Clint Berry, Utilities Director, discussed changes to health insurance (21% ↓) for County employees. He reported the maintenance department has one truck with 300,000 miles on it.

Commissioner Simmons, complimented the Utilities Department staff.

Total Public Building Maintenance Expense – \$412,279.98 decreased to \$411,938.44

### Sheriff

10.5100.0210 – Salaries Dispatchers – \$68,175.00 increased to \$78,417.63

Sheriff Guire Cahoon, reported 5 dispatcher positions changed to 2 administrative positions.

This department also employs 4 deputies on Ocracoke, 9 deputies on the mainland and the Sheriff.

.3100 – Gas, Oil and Tires – \$70,000.00 decreased to \$50,000.00

Sheriff Guire Cahoon, reported he buys tires off the state contract. He requested \$75,000.00 to cover anticipated increase in the price of fuel.

Commissioner Simmons, recommended buying fuel by the tanker load. He reported it is unrealistic to reduce this fuel line in the Sheriff's department budget.

.0000 – Misc. Equipment/Capital Outlay - \$50,000.00 (unchanged)

Sheriff Guire Cahoon, requested \$60,000.00 to lease four cars.

Total Sheriff Expenses – \$1,291,757.61 decreased to \$1,265,249.81

### ABC Rehab

10.5110.0001 – Alcoholic Rehabilitation – \$1,800.00 (unchanged)

### Dare (ended)

### Court Facilities

10.5150.3300 – Operating Expense – \$10,000.00 (unchanged)

### Jail

10.5200.4701 – Inmate Safekeeping – \$85,000.00 increased to \$90,000.00

Sheriff Guire Cahoon, reported inmates in court has increased this line item. He reported an inmate on the bracelet (not in jail) saves the County money on medical emergency fees.

Total Jail Expenses – \$103,750.00 increased to \$113,750.00

### Volunteer Fire Departments

10.5300.0000 – Volunteer Fire Departments – \$154,455.00 increased to \$168,750.00

Kris Noble, Assistant County Manager, reported Swan Quarter (.9100), Engelhard (.9200), Ocracoke (.9300), Scranton (.9400), Fairfield (.9500) and Ponzer (.9700) Volunteer Fire Departments receives \$17,250.00 per year; and Pungo River Fire Department (.9600) receives \$5,250.00 per year for mutual aid fire protection services to the western end of the county. Commissioners voted to approve County-wide fire departments to receive a grant match (up to \$10,000.00 each) to be used in accordance with the annual OSFM Fire Rescue Grant to purchase equipment for operations.

#### Forestry – County Portion

10.5310.9700 – Forestry Fire Program – \$67990.00 increased to \$70,366.00

Kris Noble, Assistant County Manager, reported Hyde County contracts with the Forestry at 35% of their annual budget.

#### Inspections

10.5400.0220 – Salaries – \$81,273.01 increased to \$83,701.00

.1400 – Travel – \$8,300.00 decreased to \$6,000.00

.1700 – Auto Maintenance – \$2,500.00 decreased to \$1,000.00

.7400 – Equipment – \$10,000.00 decreased to \$5,000.00

Jerry Hardison, Building Inspector, reported the almost \$10,000.00 reduction in the Inspections Department budget may be a problem for this department if the State implements the new inspections code book. The new code book covers a 6-year cycle, not the current 3-years.

Total Inspections Expenses – \$153,496.88 decreased to \$144,250.61

#### HEALTH DEPARTMENT EXPENDITURES:

10.5760.0000 – Food & Lodging Expenses – \$46,853.76 increased to \$48,064.25

10.5780.4500 – Hyde County Transit (contract) - \$40,000.00 decreased to \$16,000.00

10.5820.0000 – Maternal Health Expenses – \$55,564.53 decreased to \$54,852.43

10.5830.0000 – Health Promotion-Risk Reduction – \$37,268.87 increased to \$42,188.00

10.5832.0000 – Family Connects – \$12,809.20 with \$0.00 requested

10.5833.0000 – BF Peer Counsellor – \$8,007.78 with \$0.00 requested

10.5835.0000 – Vidant Health Promotion – \$16,169.00 increased to \$19,098.20

10.5836.0000 – NC DPH Ebola (ended)

10.5837.4500 – PH-Farmers Market – \$2,997.00 decreased to \$1,001.04

10.5846.0000 – KBR Interpreter – \$65,918.80 decreased to \$64,790.00

10.5847.0000 – \$22,383.44 with \$0.00 requested

10.5848.0000 – Interpreter (ended)

10.5850.0000 – Communicable Diseases – \$23065.82 increased to \$30,868.00

10.5860.0000 – Child Services Coordinator – \$14,041.26 decreased to \$13,175.00

10.5870.0000 – Immunization Action Plan – \$6,479.86 increased to \$6,792.01

10.5880.0000 – Pregnancy Care Management – \$15,423.62 decreased to \$13,238.40

10.5890.0000 – Adult Health – \$126,391.47 decreased to \$111,702.58

10.5891.0000 – Project Direct Legacy for Men (ended)

10.5900.0000 – Health – \$336,700.60 decreased to \$362,543.95

10.5910.0000 – Public Management Entity – \$9,231.47 increased to \$10,394.46

10.5940.4512 – Albemarle Mental Health (contract) – \$10,915.00 (unchanged)

10.5950.0000 – Family Planning – State – \$124,651.67 increased to \$131,847.69

10.5960.0000 – Child Health – \$75,663.45 increased to \$79,573.42

10.5962.0000 – Breast & Cervical Cancer – \$14,990.93 decreased to \$11,789.8

10.5970.0000 – Women, Infants & Children (WIC) – \$26,856.82 reduced to \$26,156.61

10.5973.0000 – Medication Assistance Program – \$16,295.65 with \$0.00 requested

10.6170.0000 – Environmental Health – \$58,231.83 increased to \$61,356.86

10.6190.0000 – Private Well Program – \$2,434.34 increased to \$2,789.99

10.6200.0000 – Bioterrorism Response & Preparedness – \$31,303.26 increased to \$35,089.57

Luana Gibbs, Health Director, would like to hire one new employee and make changes to one part-time employee's contract. She reported the County's portion of the Health Department budget is 36%. The Department received a \$150,000.00 grant that is not reflected in this budget.

Total Health Department Expenses – \$1,201,649.45 decreased to \$1,154,236.26

#### Elderly Nutrition

10.5980.0000 – Elderly Nutrition (Meals on Wheels) – County match \$33,723.00

#### Medical Examiner

10.6000.4500 – Medical Examiner Contract – \$3,000.00

### JCPC

10.6040.4517 – JCPC – \$27,192.00 (split with school)

Total Juvenile Crime Prevention – (grant funded) \$54,888.00 increased to \$54,923.00

### Cooperative Extension

10.6050.0693 – NCSU Send In Salary – \$86,248.00 decreased to \$82,008.00

Natalie Wayne, Director, reported Agriculture Agent is now an agent for Hyde and Tyrrell Counties.

10.6050.7425 – Equipment – Capital Outlay – \$8,000.00 (unchanged)

Natalie Wayne, Director, needs a lease truck.

Total Cooperative Extension – \$145,590.00 decreased to \$139,596.00 (County Match 10%)

### Soil Conservation

10.6060.1101 – Cell Phone - \$1,000.00 decreased to \$950.00

Debbie Cahoon, District Technician/ Education Coordinator, requested a cell phone for the District Resource Specialist (51% County). She reported for every \$1.00 spent the County return is \$31.89.

Total Soil Conservation – \$144,380.64 increased to \$144,691.22

### Veteran Services Officer

10.6070.0200 – Salaries – \$7,622.00 increased to \$7,851.00 (reflects 3% increase)

Total Veteran Services Officer – \$10,157.68 increased to \$10,479.68

### DEPARTMENT OF SOCIAL SERVICES EXPENDITURES:

10.6090.0000 – Day Care – Support Services – \$80,000.00 (unchanged)

10.6091.0026 – Day Care – \$193,149.00 with \$0.00 requested (actual expenditures \$3,902.00)

10.6100.0000 – Social Services Administration – \$1,105,764.04 increased to \$1,131,150.80

10.6110.0000 – Title III – \$44,346.00 (unchanged)

10.6120.0000 – Public Assistance – \$52,500.00 (unchanged)

10.6130.0000 – CAPS – Medicaid DSS – \$54,287.82 decreased to \$27,871.07

Laurie Potter, Director, reported there are no clients on CAPS service currently.

10.6131.0000 – Mattamuskeet Opportunities – \$152,331.32 decreased to \$140,190.75

10.6140.0000 – Public Service Assistance – \$278,867.00 increased to \$281,278.00

Total Social Services Department – \$1,961,245.18 decreased to \$1,757,336.62

Laurie Potter, Director, reported programs that are mandated by the State are funded 1/3 by the County and 2/3 by the State.

### Cultural Arts

10.6300.1805 – Arts Council – \$1,000.00

10.6300.4201 – BHM Regional Library – \$51,000.00

Total Cultural Arts – \$52,000.00 (unchanged)

### Airport

10.6400.0000 – \$93,000.00 (unchanged)

Commissioner Tunnell, discussed fuel sales at the Airport.

Jane Hodges, Airport Manager, reported \$0.00 is included in her salary. She inspects fuel, tanks, alarms, pumps and electronics daily as long as we sell fuel. If fuel is kept longer than six months it has to be certified for use. The Hyde County Airport sells approximately \$15,000.00 fuel annually. The County collects \$81,000.00 rent from the Airport farm land lease. With fuel sales and rent the Airport breaks even.

Total Airport – \$93,000.00 (unchanged)

### Elderly – Handicap Transport

10.6500.0000 – \$98,990.00 (unchanged) (10% County grant match)

### Appropriation to Senior Center Fund

10.6938.0000 – Total Appropriation to Senior Center Fund – \$105,556.58 increased to \$106,945.72

Darlene Berry, Director, reported the County appropriates 95% funding for the Center. Grant funding received \$16,300.00.

### Sales Tax

10.1300.9999 – Sales Tax (as of 04/30/18 actual expenditures \$70,591.98)

After prayer, Chairman Pugh moved recessed the May 14, 2018 Budget Workshop Meeting at 8:40p.m., to reconvene on May 15, 2018 at 6:00p.m. Mr. Tunnell seconded the motion. The motion passed on the following vote: Ayes – Pugh, Pahl, Tunnell and Simmons; Nays – None; Absent or not voting – Swindell.

**Re-convened Budget Workshop Meeting Minutes**

**Board of County Commissioners  
Hyde County**

**Tuesday, May 15, 2018**

Chairman Pugh moved to reconvene the Monday, May 14, 2018 Board of Commissioners Budget Workshop Meeting on Tuesday, May 15, 2018 at 6:00p.m. Mr. Tunnell seconded the motion. The motion passed on the following vote: Ayes – Pugh, Pahl, Swindell, Tunnell and Simmons; Nays – None; Absent or not voting – None.

**Solid Waste**

**10.5750.0200 – Salaries – Full-time – \$186,519.00 increased to \$188,879.00**

James Blount, Supervisor, reported the salaries line reflects a 3% COLA increase. The Solid Waste department has a total of 8 full-time and 6 part-time employees. Two of the full-time employees and 1 part-time employee reside on Ocracoke Island. Employees who reside on Ocracoke receive a \$500.00 per month housing stipend.

**.0201 – Housing Allowance – \$12,000.00 (unchanged)**

**.1300 – Utilities – Compactors – \$12,000.00 (unchanged)**

James Blount, Supervisor, reported this line reflects electricity at the convenience sites.

**.1500 – Site Improvements – Ocracoke – \$38,000.00 decreased to \$8,000.00**

**.2500 – Disposal Fees – Mainland – \$203,000.00 decreased to \$200,000.00**

**.2501 – Disposal Fees – Ocracoke – \$0.00 increased to \$7,000.00**

James Blount, Supervisor, reported this disposal fee covers mercury, electronics, etc.

**.3100 – Gas, Oil & Tires – \$12,000.00 increased to \$13,000.00**

**.4521 – Scrap Tire Disposal – \$10,000.00 (unchanged)**

**.4523 – Motor Oil Disposal – \$1,500.00 (unchanged)**

**Total Solid Waste Expenses: \$999,999.50 decreased to \$944,133.31**

James Blount, Supervisor, reported accomplishments this fiscal year include 15 loads of rock, a privacy fence and Ocracoke drainage system. Contractors will be offered the opportunity to voluntarily rent containers for construction debris when purchasing a building permit. Estimated revenue from container rent is \$20,000.00 per year.

**Education**

Kris Noble, Assistant County Manager, presented, Hyde County School System proposed local budget request from Hyde County for FY2018-19.

**10.6810.0920 – Current Expense – allocation is \$1,627,037.00 – Request for FY2018-19 from the School system is \$1,801,380.00 – Hyde County FY18-19 proposed budget recommendation is \$1,675,673.00**

Sheriff Guire Cahoon recommends assigning one School Resource Officer to Mattamuskeet Elementary and one SRO to Mattamuskeet Early College High School. He has one certified SRO on staff. He reported deputies are frequently in and out of Ocracoke School. Hyde County Schools SRO Grant funds total \$14,000.00. Hyde County match would be \$30,000.00 to \$35,000.00.

**.0974 – CAPO/L 30% ½ Sales Tax ART 40 – \$120,000.00**

**.0975 – CAPO/L 60% ½ Sales Tax Art 42 – \$210,000.00**

**.0978 – QZAB – Bond Payment – BOE – \$55,964.58**

**.0979 – QSCB – Bond Payment – BOE – \$215,072.82**

**Total Education: \$2,207,075.49 increased to \$2,276,710.40 (County)**

**School Board Proposed Local Budget**

**5110 – Instructional Services – \$300,307.00 (unchanged)**

**5340 – Pre-K Assistant Ocracoke/ Library – \$50,124.00 (recommended \$0.00)**

**5501 – Athletics – \$35,000.00 (recommended \$25,000.00)**

**5810- Library – \$15,000.00 (recommended \$0.00)**

**5850 – School Resource Officer Match - \$14,000.00 (recommended \$0.00)**

**6510 – Communication Services – \$59,784.00 (unchanged)**

**6120 – CTE Administrative Assistant – \$8,795.00 (unchanged)**

**6520 – Printing & Copying – \$1,200.00 (unchanged)**

**6530 – Public Utility – \$403,564.00 (unchanged)**

**6540 – Custodial Supplies – \$22,298.00 (unchanged)**

**6541 – Custodial (2<sup>nd</sup> for Ocracoke) – \$23,172.00 (unchanged)**

**6550 – Transportation (Activity Busses, Maintenance) – \$63,369.99 (as requested)**

**6551 – Bus Driver Incentive Supplement \$100.00/month – \$9,900 (recommended \$0.00)**

**6580 – Maintenance Services – \$401,679.00 (4-FTE) (unchanged)**

**6613 – Insurance (Flood & Property) – \$228,971.00 (reduction expected)**



6910 – Board of Education – \$31,927.00 (unchanged)  
 6911 – Dues and Fees – \$17,487.00 (unchanged)  
 6920 – Legal Services – \$56,941.00 (unchanged)  
 6932 – External Audit – \$21,000.00 (unchanged)  
 6941 – Office of The Superintendent – \$33,702.00 (unchanged)  
 8100 – Transfers to Charter Schools – \$3,160.00 (increased)  
**Total School Board Proposed Local Budget: \$300,307.00**

**Commissioner Pahl**, reported he supports public school system/education and agrees school teachers in North Carolina are under paid. He requested a state-wide per student comparison and previous year's allocations. He also requested the Ocracoke Pre-K Assistant position not be cut from the budget.

**Commissioner Simmons**, requested a comparison of the school and county maintenance budget. He requested the past four year's school budget be graphed and put on the county website.

**Commissioner Tunnell**, recommended not micromanaging the school board.

**Corrinne Gibbs, Finance Officer**, reported greater than 90% of local funds go to administration.

**Kris Noble, Assistant County Manager**, reported the quarterly meetings between the County and the Board of Education need to continue. She recommended starting a line item for the "Guaranteed Energy Savings Contract".

**Manager Rich**, recommends athletics funds (line 5501) appropriated to the school system should be earmarked: \$10,000.00 to support Ocracoke Ballfield; \$10,000.00 to support Mainland athletics; and, \$15,000.00 appropriated at the schools discretion jointly (both schools).

**Commissioner Swindell**, recommends approving the Board of Education proposed local budget and stipulate there will be no increases throughout this fiscal year.

**Corrinne Gibbs, Finance Officer**, will write up line items stipulated for the school budget based on what the Board of Education has requested and forward copy to the Board of Education to study and approve. She reported a \$70,000.00 increase from the FY17-18 budget.

#### **Hyde County Emergency Medical Service**

**10.5920.0200 – Salaries Full Time – \$643,401.14 increased to \$704,314.32**

**Justin Gibbs, Emergency Services Director**, reported this increase represents 2.5 FTE and the 3% COLA increase.

**.0201 – EMS Housing Allowance – \$12,500.00 decreased to \$12,000.00**

**.0220 – Overtime – \$178,000.00 decreased to \$125,000.00**

**.0230 – On-Call Pay – \$49,632.00 increased to \$52,632.00**

**.0500 – FICA Tax Expense – \$69,306.04 increased to \$72,489.21**

**.0600 – Group Insurance Expense – \$116,869.00 decreased to \$116,137.56**

**.0700 – Retirement Expense – \$64,177.49 increased to \$71,515.71**

**Justin Gibbs, Emergency Services Director**, reported 30 part-time and 20.375 full-time employees on the Office of Emergency Medical Services (OEMS) Roster. The county roster totals 17 employees. The proposed budget reflects a 3% salary increase across the board. Group insurance per employee/ per year is \$5,700.00.

**.4506 – Building Rent for EMS – \$24,000.00 (unchanged)**

**Justin Gibbs, Emergency Services Director**, reported the county will no longer pay rent but will pay \$25,000.00/ year loan payment for a new EMS Station on Ocracoke.

**.4507 – Mattamuskeet EMS Base Loan – \$13,000.00 decreased to \$8,000.00 (repairs, appliances, etc.)**

**.4508 – First Responder Program – \$25,000.00 (unchanged)**

**Justin Gibbs, Emergency Services Director**, reported the County's volunteer fire departments are paid an annual per call amount based on the number of medical first responder calls the Department responds to within a calendar year. The amount per call will be determined by dividing the total number of actual county-wide medical first responder calls that were responded to by all of the participating departments with the given calendar year into the total line item amount (a minimum of \$25,000.00 per year) in the County's budget for this service. The per-call amount will then be multiplied by the number of actual calls the Department responded to in order to determine the amount of payment due for the medical first responder services provided.

**.7400 – Equipment – \$6,000.00 increased to \$8,000.00**

**Justin Gibbs, Emergency Services Director**, reported as of April 30, 2018 actual equipment expenditures were \$35,424.74, which will be reimbursed by FEMA for ambulances purchased. He also

reported cuts made to the EMS budget total almost \$60,000.00. He reported 77.1% of the EMS budget is for salaries and 22.9% operational expenditures. The non-emergent transport program is working and is growing. A doctor has to prescribe the service, and then it is 100% reimbursable. He also reported the Thrombolytic protocol has been approved by the State and will be implemented on July 1, 2018. Hyde County is the second EMS to gain this certification.

**Total Emergency Medical Services Expenses: \$1,617,812.67 decreased to \$1,607,213.79**

**Emergency Management**

**10.5250.0200 – Salaries – \$65,808.24 increased to \$82,209.00**

Justin Gibbs, Emergency Services Director, reported this increase represents 1.375 FTE and the 3% COLA increase. He reported 73% of the EM budget is for salaries and 23% operational costs.

**Total Emergency Management: \$190,336.00 increased to \$210,366.38**

Justin Gibbs, Emergency Services Director, reported the EM Department provides county-wide emergency 911 and covers preventative maintenance contracts for all county generators. The State and National Renewable Energy Project Director of EM for Hyde, Dare and Currituck will make a site visit on the 24<sup>th</sup> then run a model to develop the most proficient energy system for the County Government facility to maintain continuity of government during a storm.

**Administration**

**10.4200.0200 – Salaries – \$154,843.76 reduced to \$111,837.00**

**.0600 – Group Insurance Expense – \$16,644.00 decreased to \$11,400.00**

Kris Noble, Assistant County Manager, reported a new insurance plan for staff was negotiated. The new plan saved the County \$125,000.00 which covers the 3% cost of living (COLA) increase.

**.2020 – Salary P/T Special Projects – \$12,500.00 decreased to \$7,500.00**

Kris Noble, Assistant County Manager, reported this line item covers the part-time Public Information Officer and Ocracoke Liaison position.

**.5400 – Insurance & Bonds – \$150,000.00 increased to \$185,000.00**

Kris Noble, Assistant County Manager, reported the Water Department portion of the County's insurance is approximately \$20,000.00 and the Administration Department has paid all other insurance since 2007.

**.5410 – Unemployment Insurance – \$40,000.00 decreased to \$15,000.00**

Kris Noble, Assistant County Manager, reported the County's insurance rate is lower this year.

**.5438 – Drug Testing Fees – \$4,500.00 (unchanged)**

Commissioner Simmons, recommended the unemployment insurance be reduced to \$10,000.00 and the drug testing fees be increased to \$9,500.

**.9215 – HRA Supplemental Expense – \$125,000.00 equals \$1,500.00 each employee**

Chairman Pugh directed Corrinne Gibbs, Finance Officer, to re-write the P/T Environmental Health Coordinator's contract to include the scope of work he is performing.

**Total Administration Expenses: \$1,125,781.29 decreased to \$930,662.69**

**HRA Supplemental Account**

**10.4202.1500 – \$150,000.00 requested with \$140,000.00 recommended**

**Planner**

**10.4900.0200 – \$47,957.78 decreased to \$17,500.00**

**.4500 – \$6,000.00 increased to \$54,000.00**

Corrinne Gibbs, Finance Officer, reported this covers ½ administrative assistant salary and the new economic development consultant service position.

**Total Planner Expenses: \$123,246.86 decreased to \$101,788.75**

**TOTAL GENERAL FUND EXPENDITURES: \$13,391,086.71 DECREASED TO \$13,092,770.44**

**OTHER FUND EXPENDITURES**

**Fund 30 – Fines & Forfeitures – \$56,500.00 (unchanged)**

**Fund 40 – Ocracoke Special Mosquito Tax – \$48,383.00 (unchanged)**

**Fund 42 – Capital Reserve – \$5,000.00 (unchanged)**

**Fund 53 – Airport Improvements – \$160,000.00 (unchanged)**

**Fund 55 – Senior Center – \$121,956.58 increased to \$123,245.72**

**Fund 60 – Water System – \$1,600,308.00 decreased to \$1,600,000.00**

Clint Berry, Utilities & Maintenance Director, reported a \$1.4 million fund balance.

**Fund 70 – Revaluation – \$5,500.00 increased to \$10,500.00**

**Fund 71 – West Quarter – \$9,090.00 increased to \$25,290.00**

**Fund 72 – Swan Quarter – \$5,000.00 increased to \$22,250.00**

**Fund 73 – 4-H – \$22,780.00 (unchanged)**



Fund 74 – E-911 – \$30,374.26 (as of 4/30/18 actual expenditures)  
Fund 75 – Occupancy Tax Mainland – \$18,000.00 decreased to \$8,000.00  
Fund 76 – Occupancy Tax Ocracoke – \$421,915.53 increased to \$503,617.00  
Total Other Funds: \$2,601,717.69 decreased to \$2,585,565.72

**TOTAL ALL FUNDS: \$15,992,804.40 REDUCED TO \$15,678,336.16**

**GENERAL FUND REVENUES:**

**Ad Valorem Taxes**

10.3010.0000 – Ad Valorem Tax-Prior – \$225,000.00 increased to \$300,000.00  
.0010 – DMV-Prior (as of 4/30/18 actual revenues \$0.00)  
.0091 – Ad Valorem Tax – Current – \$6,805,446.00 increased to \$7,427,109.00 (reflects \$0.5 increase)  
10.3020.0000 – DMV Current – \$280,000.00 (unchanged)  
10.3170.0000 – Tax Penalty & Interest – \$15,000.00 increased to \$20,000.00  
.0001 – Tax Penalty & Interest-Prior Year – \$60,000.00 (unchanged)  
.0002 – DMV Tax Penalty & Interest – Current – \$500.00 increased to \$1,500.00  
.0003 – DMV Tax Penalty & Interest – Prior Year – \$50.00 (unchanged)  
10.3171.0000 – Legal Fees-Delinquent Tax Collection – \$5,000.00 (unchanged)  
10.3172.0000 – Delinquent Tax Garnishment Fees – \$0.00  
Total Ad Valorem Taxes: \$6,805,446.00 increased to \$7,427,109.00  
Manager Rich, reported revaluation has shifted from Ocracoke to Mainland Hyde County; tax collections are down; and new construction is up.

**Sales Tax**

10.3450.0000 – County 1% Sales Tax Art. 39 – \$663,000.00 increased to \$700,000.00  
.0001 – Medicaid Hold Harmless – \$360,000.00 decreased to \$120,000.00 (State approval required)  
10.3490.0002 – ½ % Sales Tax Art. 40 – \$357,800.00 increased to \$400,000.00 (30% to school budget)  
.0003 – ½ % Sales Tax Art. 42 – \$333,000.00 increased to \$350,000.00 (60% to school budget)  
.0004 – ½ % Sales Tax Art. 44 2002 – \$500.00 increased to \$10,000.00  
Total Sales Tax: \$1,714,300.00 decreased to \$1,580,000.00

**Other Tax & License**

10.3010.0004 – Franchise Tax-Cable TV – \$3,100.00 (unchanged) (State)  
10.3100.0000 – Excise Tax on Conveyances – \$66,000.00 increased to \$68,750.00 (Register of Deeds 52%)  
10.3260.0000 – Beer & Wine Licenses – \$150.00 increased to \$500.00  
10.3270.0000 – Occupancy Tax-Ocracoke 10% – \$38,521.70 decreased to \$50,361.70  
.0001 – TDA 3% – \$0.00 increased to \$9,000.00  
.0009 – Occupancy Tax-Mainland 10% – \$800.00  
.1000 – Occupancy Tax Penalties – \$0.00 (as of 4/30/18 actual revenues)  
10.3460.0012 – Scrap Tire Disposal Grant – \$5,000.00 increased to \$7,000.00 (State)  
.0018 – White Goods Disposal Tax – \$0.00 increased to \$1,500.00 (State)  
10.3590.0000 – Substance Abuse Tax Distribution – \$0.00 increased to \$50.00 (State)  
Total Other Tax & License: \$113,621.70 increased to \$141,061.70

**Unrestricted Inter-government**

10.3090.0001 – PILT – (Pay In Lieu of Taxes) – Other – \$6,500.00 increased to \$7,500.00 (Ocracoke)  
.0002 – PILT – Refuge – \$110,000.00 increased to \$125,000.00 (Mainland)  
.0003 – PILT – Mid-East Housing – \$500.00 increased to \$750.00 (as of 4/30/18 actual revenues \$1,468.71)  
10.3410.0000 – Beer & Wine Excise Tax – \$10,000.00 increased to \$25,000.00  
Total Unrestricted Inter-government: \$127,000.00 increased to \$158,250.00

**Restricted – Other** – \$366,606.77 decreased to \$340,421.00

**Restricted – Social Services** – \$1,399,897.14 decreased to \$1,257,934.40

**Restricted – Health** – \$810,934.20 decreased to \$736,694.00

**Permits & Fees**

10.3550.0000 – Building Permits – \$12,000.00 increased to \$25,000.00 (as of 4/30/18 actual revenues \$80,799.94)  
10.3570.0002 – Fire Inspection Fees – \$35.00 (priority next fiscal year)  
Total Permits & Fees – \$147,385.00 increased to \$166,485.00

**Sales & Services**

10.3602.0000 – EMS Bills By Collect Serv Main – \$470,000.00 decreased to \$300,000.00

Justin Gibbs, Emergency Services Director, reported the non-ambulatory program is active since FEMA funding for ambulances was received. Current EMS staff is being used to run the program at this time.

**Total Sales & Services: \$564,900.00 decreased to \$394,900.00**

**Interest on Investment – 10.3290.0000 – \$12,000.00 increased to \$20,000.00**

**Miscellaneous Revenue**

10.3350.0001 – Returned Checks – \$0.00 (as of 4/30/18 actual revenues \$5,172.92) (in & out funds)

10.3580.0005 – Insurance Claims Vehicles – \$0.00 (as of 4/30/18 actual revenues \$25,724.53)

10.3690.0000 – GovDeals Purchases – \$15,000.00 (unchanged)

.0003 – Land Sales and Leases – \$0.00 increased to \$150,000.00 (as of 4/30/18 actual revenues \$33,507.35)

**Total Miscellaneous Revenue – \$70,360.00 increased to \$216,360.00**

Manager Rich will be aggressively selling county owned property.

Justin Gibbs, Emergency Services Director, will sell one ambulance in June.

**Transfers & Fund Balance**

10.3986.0098 – Transfer From Home Health – \$617,044.02 (sold)

10.3990.0000 – Fund Balance Appropriated – \$405,392.44 (2018-2019 department requested)

Transfer from Mattamuskeet Lodge – \$248,162.90

Manager Rich reported these funds will be restricted for the Mattamuskeet Lodge project.

**Total Transfers & Fund Balance: \$1,258,635.90 decreased to \$653,555.34**

**FUND 10 TOTAL – \$13,391,086.71 decreased to \$13,092,770.44 (as of 4/30/18 actual revenues \$10,164,659.37)**

**OTHER FUND REVENUES:**

Fund 30 – Fines & Forfeitures – \$56,500.00 (unchanged)

Fund 40 – Ocracoke Special Mosquito Tax – \$48,383.00 (unchanged)

Fund 42 – County Capital Reserve – \$5,000.00 (unchanged)

Fund 53 – Airport Grant – \$160,000.00 (unchanged)

Fund 55 – Senior Center – \$121,956.58 increased to \$123,245.72

Fund 60 – Water / Sewer System – \$1,600,000.00 (unchanged)

Fund 70 – Revaluation – \$5,500.00 increased to \$10,500.00

Fund 71 – West Quarter – \$9,090.00 increased to \$25,290.00

Fund 72 – Swan Quarter Dike – \$5,000.00 increased to \$22,250.00

Fund 73 – 4-H – \$22,780.00 (unchanged)

Fund 74 – E-911 – \$127,592.58 decreased to \$0.00 (completed)

Fund 75 – Occupancy Tax – Mainland – \$18,000.00 decreased to \$8,000.00

Fund 76 – Occupancy Tax – Ocracoke – \$421,915.53 increased to \$503,617.00

**TOTAL OTHER FUNDS REVENUES: \$2,601,717.69 DECREASED TO \$2,585,565.72**

**TOTAL REVENUES: \$15,992,804.40 DECREASED TO \$15,678,336.16**

**In conclusion:**

Commissioner Pahl recommended setting the tax rate increase at \$0.03 which would cut \$80,000.00 from the budget.

Commissioner Pugh recommended setting the tax rate increase at \$0.05 out of respect to our management.

Commissioner Simmons recommended the Board make the cut and not go up on anything next year.

Commissioner Swindell recommended setting the tax rate increase at no more than \$0.04.

Manager Rich reported he will collect one cent through collecting delinquent taxes.

**Public Comments:**

There being no comment from the public, Chairman Pugh continued the meeting.

**Closed Session (none)**

**Adjourn**

Commissioner Swindell moved to adjourn the meeting. Mr. Tunnell seconded the motion. The motion passed on the following vote: Ayes – Pahl, Pugh, Tunnell, Swindell and Simmons; Nays – None; Absent or not voting – None.

The meeting recessed on Tuesday, May 15, 2018 at 10:35p.m.

Respectfully submitted:

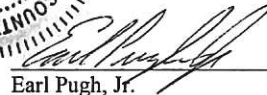
Minutes approved on the 5<sup>th</sup> day of June, 2018.

Attest:



Lois Statesberry, CMC, NCCC  
Clerk, Hyde County Board of Commissioners





Earl Pugh, Jr.  
Chair, Hyde County Board of Commissioners

Attachments: (none)